NewERA

Climate Action Plan 2021 Action 55:

Framework for the Commercial Semi-State Sector to address climate action objectives

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Gníomhaireacht Bainistíochta an Chisteáin Náisiúnta
National Treasury Management Agency

RÉnua
NewERA

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Introduction | Action 55 Framework

- This paper has been prepared by the New Economy and Recovery Authority ("**NewERA**") in relation to the fifth element of Action 147 of the Climate Action Plan 2019, which was carried forward to the Climate Action Plan 2021 ("**CAP 2021**") under Action 55:

  'Develop framework for commercial semi-State sector to address climate action objectives'
- The Department of Public Expenditure and Reform ("**DPER**") and NewERA are key stakeholders in the delivery of this action, with the Department of the Environment, Climate and Communications ("**DECC**") the assigned lead under Action 55.
- The commercial semi-State ("**CSS**") sector is understood to refer primarily to the 22 companies listed below, and their subsidiaries. There is significant diversity amongst this group in terms of activities, size, resources and the centrality of climate action to their primary businesses. In addition, each company is at its own stage in the climate action journey, with some companies more experienced than others in this area to-date.
- Climate action is understood to encompass both mitigation and adaptation objectives.
- Of the 22 commercial companies in State ownership identified below, 18 are either designated to NewERA under its legislation or NewERA provides advice on an ongoing basis to relevant Government Ministers and Departments by agreement; these 18 (and their subsidiaries) are collectively referred to as the Portfolio Companies.
  - The remaining four entities are Rásaíocht Con Éireann, Horse Racing Ireland, the Irish National Stud and TG4.
- With a view to informing the development of a climate action framework for the CSS sector, NewERA has:
  - Engaged individually with each of the 22 companies to gather information on their climate action objectives and how they approach them at present; and
  - Undertaken research on best practice approaches to various aspects of corporate climate action objectives.
- The purpose of this paper is to set out the approach to the CSS climate action framework (the "**Framework**") which has been developed in consultation with DECC and DPER.

Introduction | Action 55 Framework (continued)

- The CSS companies are separate organisations each with a commercial mandate and a board appointed to fulfil that mandate. By signing up to or adopting the Framework, each company would be entering into the commitments it contains.
- Because of their leadership role, the CSS companies have an important part to play in contributing to the achievement of the Government's 2030 climate action targets set out in the Climate Action and Low Carbon Development (Amendment) Act 2021 and the CAP 2021 (see overleaf). It is nonetheless important to note that, due to the diversity amongst the CSS companies in terms of activities, size and resources, when it comes to climate action the degree of materiality varies widely between companies. This is true of the impact of climate factors on the companies, and also of the impact of the companies' actions on climate.
- The achievement of some CSS companies' climate action objectives will have a greater impact on national targets than others. The principal means through which these impacts will be measured is through the Sustainable Energy Authority of Ireland's ("**SEAI**") public sector monitoring and reporting system.
- It is expected that the CSS companies will fund the cost of meeting the commitments in the Framework, and of the investments required to achieve their climate action objectives, from their own resources.
- It is expected that the Framework will be periodically reviewed and updated.

- *Note: This paper has been prepared by NewERA in relation to the fifth element of Action 147 of the Climate Action Plan 2019 which was carried forward to the CAP 2021 under Action 55. No undertaking, representation or warranty is given as to, and no liability, whether in negligence or otherwise howsoever, is accepted by NewERA in respect of, the fairness, reasonableness, adequacy, accuracy, completeness, fitness for use or use of the contents of this paper.*

Climate Action Objectives | National Targets

Climate Action and Low Carbon Development (Amendment) Act 2021, (the "**Act**")

The Act sets out to support Ireland's transition to Net Zero and achieve a climate neutral economy by no later than 2050. A number of key elements of the Act are set out in the table below.

Key Element of the Act	Description
National climate objective	▪ Places on a statutory basis a 'national climate objective', which commits to pursue and achieve no later than 2050, the transition to a climate resilient, biodiversity-rich, environmentally-sustainable and climate-neutral economy ▪ A "climate neutral economy" is defined as a sustainable economy and society where GHG emissions are balanced or exceeded by the removal of GHG. The "climate neutral" objective is consistent with EU climate ambition to pursue a net zero target for all GHG and international obligations under the Paris Agreement
Carbon budgeting	▪ Embeds the process of carbon budgeting into law, Government is required to adopt a series of economy-wide five-year carbon budgets, and sectoral emissions ceilings for each relevant sector, on a rolling 15-year basis, starting in 2021
Climate Action Plan and Strategy	▪ Actions for each sector will be detailed in the Climate Action Plan, updated annually ▪ A National Long Term Climate Action Strategy will be prepared every five years
Carbon emissions	▪ The Act provides that the carbon budgets should provide for a 51% reduction in greenhouse gas emissions by 2030 (relative to a baseline of 2018)
Public body obligations	▪ Public bodies (as defined in the Climate Action and Low Carbon Development Act 2015) will be obliged to perform their functions in so far as is practicable in a manner consistent with national climate plans and strategies, and furthering the achievement of the national climate objective

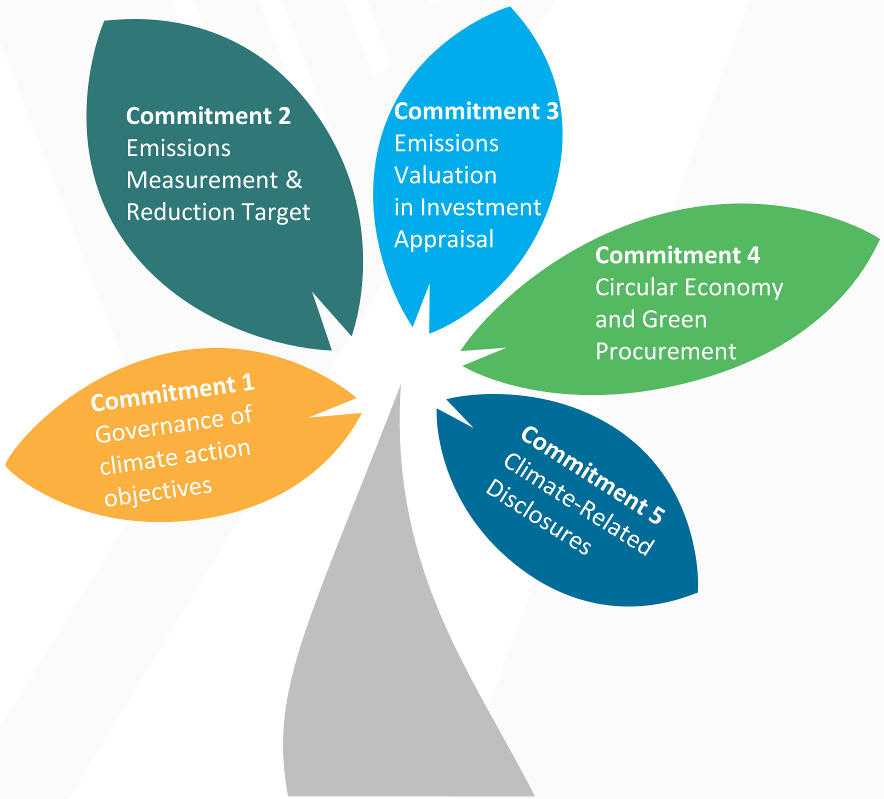
2030 climate action targets for the public sector set out in Climate Action Plan 2021 – applicable to all CSS companies

Description	Climate Action Plan 2021 Target
Carbon emissions	▪ Reduce CO_2 equivalent emissions from the public sector by 51% by 2030
Energy efficiency	▪ Increase the improvement in energy efficiency in the public sector from the 33% target in 2020 to 50% by 2030

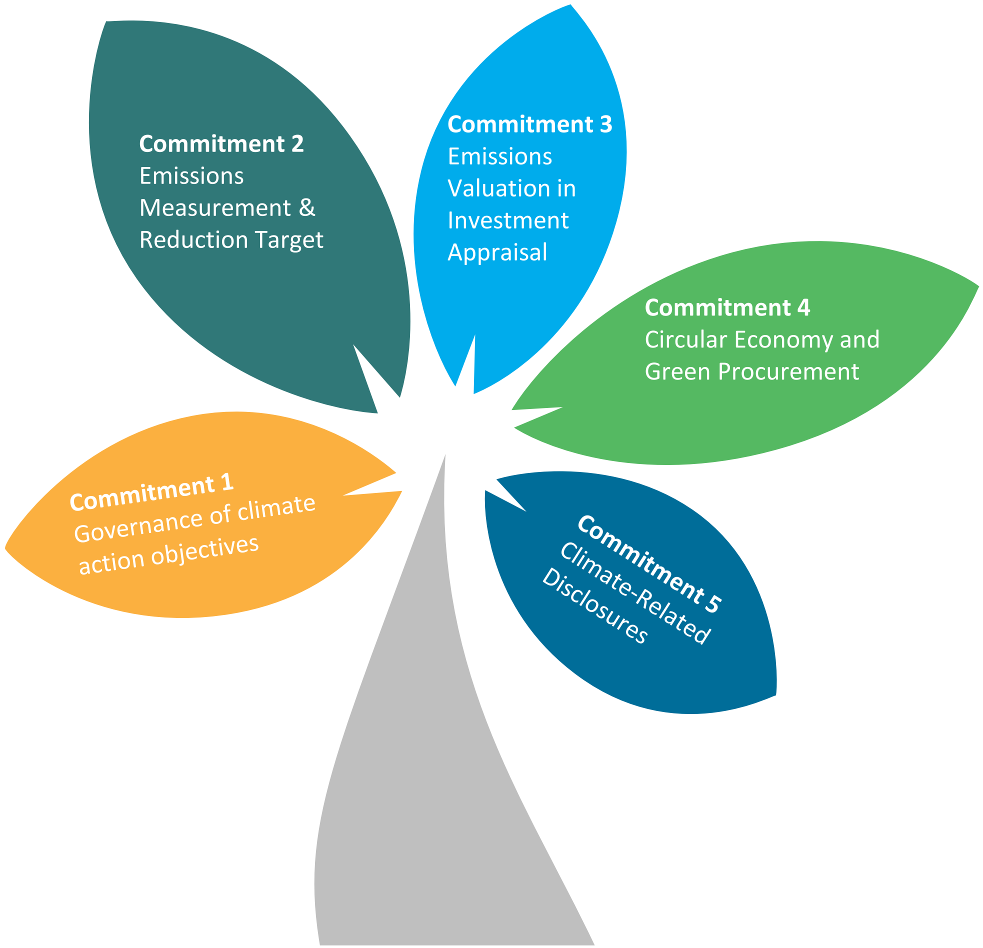
Approach | Overview

- The Framework is a series of five commitments by the CSS companies in relation to their climate action objectives. When a CSS company signs up to or adopts the Framework, it is entering into each of those commitments.
- The approach taken to the framing of the commitments is as follows:
  - The five commitments reflect the three centrally designated frameworks which were highlighted in the Public Sector Leading by Example sections of the Climate Action Plan 2019 and 2021 (measurement of carbon footprint, green public procurement, carbon pricing in capital evaluation) as well as two further elements specific to the corporate environment (governance of climate action objectives and financial disclosures);
  - For each commitment, we have reviewed relevant policy and publications by advisory and non-governmental bodies, with a view to identifying best practice; and
  - This best practice is articulated as a target approach which each company would commit to working towards implementing in each of the five areas.
- See overleaf for more detail.

Five Commitment Approach



Framework Approach



Commitment 1: Governance of Climate Action Objectives
Oversight at Board level and integration of climate action objectives in the company's strategic business planning

Commitment 2: Emissions Measurement & Reduction Target
Formal adoption, on an ongoing basis, of Government emission reduction targets for the public sector and the SEAI measurement methodology

Commitment 3: Measuring and Valuing Emissions in Investment Appraisals
Incorporate the value of emissions in investment decision-making

Commitment 4: Circular Economy and Green Procurement
Promote circular economy measures and green procurement

Commitment 5: Climate-Related Disclosures in Financial Reporting
Compliance with a relevant and appropriate climate-related disclosures framework within a defined timeframe

Commitment 1 | Governance of Climate Action Objectives

Context

- *'Board level oversight of climate related issues is considered best practice and provides an indication of the importance of climate related issues to the organization'* – CDP.
- It is critical that climate action objectives are integrated into a company's strategic decision making rather than as separate workstream.
- This is best facilitated by oversight at Board level and incorporation of climate action objectives in the company's strategic business planning.
- The cost of meeting climate action objectives must be met from each company's own resources. This necessitates an assessment of the likely capital investment required to achieve climate action objectives, and inclusion of this investment requirement in capital planning.
- In the CSS companies that have developed sustainability strategies, those strategies should be approved and monitored at Board level and the target approach set out opposite would just formalise their commitment to that approach.
- For companies that are in the process of developing/articulating their approach to sustainability, or who have not yet commenced, a commitment to the target approach would ensure each company is aspiring to best practice.

Target Approach

1.1	Climate action objectives are approved at Board level and reviewed periodically by the Board.
1.2	Climate action objectives are embedded within the company's corporate plan (preparation of an annual rolling 5 year business and financial plan is a requirement of the Code of Practice for the Governance of State Bodies). Corporate plan outlines the company's investment strategy with respect to climate action objectives.
1.3	Progress towards achievement of objectives is measured regularly and reported on to the Board.
1.4	Progress measurements are published alongside the company's reporting of its overall performance, for example in annual reports.
1.5	Climate-related processes and risks are incorporated in the company's overall risk management framework and included in risk reporting to the Board.

Commitment 2 | Emissions Measurement & Reduction Targets

Context

- *'A meaningful and consistent comparison of emissions over time is an essential step in environmental reporting; reporting emissions is best practice and a pre requisite to understanding and reducing negative environmental impacts'* – CDP.
- The Greenhouse Gas Protocol Standard categorises emissions into 3 groups:
  - Scope 1: Direct emissions that result from activities within the organisation's control;
  - Scope 2: Indirect emissions from any electricity, heat or steam purchased and used by the organisation;
  - Scope 3: Any other indirect emissions from sources outside the organisation's direct control, e.g., purchased goods and services, use of sold goods, employee commuting and business travel, waste disposal, water consumption.
- An organisational carbon footprint measures at a minimum Scope 1 & 2 emissions and may also include some or all Scope 3 emissions.
- Certain CSS companies are already adhering to carbon emission measurement standards developed by industry bodies in their sector. We also note that a number of CSS companies (An Post, Dublin Bus, Eirgrid, ESB, GNI, Irish Rail, Irish Water, RTE) are signatories to the Business in the Community Low Carbon Pledge, which calls on businesses to work towards setting science-based emission reduction targets (i.e., what science says is necessary to limit global warming to 1.5°C) by 2024 at the latest.
- The Climate Action and Low Carbon Development (Amendment) Act 2021 provides that carbon budgets should provide a 51% reduction in greenhouse gas emissions by 2030, including required actions for each relevant sector which will be reflected in the annual Climate Action Plan. Public bodies (as defined by the Act) will be obliged to perform their functions in so far as is practicable in a manner consistent with national climate plans and strategies. The CAP 2021 set a CO_2 equivalent emission reduction target for the public sector of 51% by 2030, alongside a public sector buildings energy efficiency improvement target of 50%.

Context (continued)

- DECC, in conjunction with the SEAI, has developed a methodology for the definition and measurement of the public sector emission reduction target. The target will initially be defined with respect to direct and indirect energy-related emissions, and will include Scope 1, Scope 2 and certain Scope 3 emissions. We understand that plans for incorporating non-energy-related emissions as well as further Scope 3 emissions into the target are currently being developed, to be implemented as a second phase.
- Relative to the actual overall emission reductions achieved in the public sector in the last ten years of c. 10%, the absolute target of a 51% reduction by 2030 is challenging. As the definition of emissions considered 'within scope' for the national targets evolves over time, these targets are likely to become more challenging.
- The commitments within this framework are expected to be reviewed periodically and may be updated in time to reflect insights gained from the operation of, and data gathered through, the SEAI monitoring and reporting (M&R) system.
- The table below sets out the approach to GHG emission measurement and reduction, whereby companies will formally commit to comply on an ongoing basis with Government policy on emission reduction and energy efficiency targets for the public sector, and with the SEAI measurement methodology.

Target Approach

2.1	Gather emissions data required to meet prevailing SEAI M&R 2030 reporting requirements.
2.2	Adopt Government's 2030 emission reduction and energy efficiency targets for the public sector, as per evolving DECC/SEAI methodology.
2.3	Model an emissions pathway to 2030 targets.
2.4	Progress towards targets to be measured in line with SEAI methodology and reported to SEAI.

Commitment 3 | Measuring and Valuing Emissions in Investment Appraisals

Context

- *Facing challenging and legally binding greenhouse gas (GHG) emission reduction targets, it is imperative that the assessment of public investment projects include an appropriate valuation of the cost that society will bear in dealing with the greenhouse gas emissions any project might give rise to. The best method of achieving this is through the use of an appropriate shadow price of carbon.* IGEES, DPER, 2018
- *As part of project appraisal for all public capital investments, it is essential to avoid expenditure that locks in long-term fossil fuel consumption*. Climate Action Plan 2019
- In December 2019, DPER updated the Public Spending Code. The Board of each Commercial State body must satisfy itself annually that the Commercial State Body is in full compliance with the Code. The Code requires public bodies to undertake economic appraisals for projects meeting certain criteria. As part of this economic appraisal, public bodies should calculate and value GHG emissions, where these emissions are considered *"relevant, significant and practicable for inclusion"*, using a shadow price of carbon set out in the Code.
- The 2019 update of the Code tripled the price of carbon to be applied in economic appraisals, based on the estimated costs of achieving a 30% reduction in emissions by 2030. The CAP 2021 notes that the Code must now be further updated to reflect the enhanced ambition to achieve a 51% reduction in emissions by 2030.
- Guidance has been provided for public bodies undertaking investment projects [1]:
  - Establish a counterfactual taking into account rebound effects[2] and additionality;
  - Quantify the change in GHG emissions noting the 7 different types of GHG emissions and convert to a common metric, i.e., tonnes of CO2e. For changes in energy use the SEAI conversion factors for fuel should be used, except in the case of electricity use in which case, DPER's conversions factors should be used;
  - Monetise annual changes in GHG emissions using the shadow price of carbon provided by DPER over the period 2020-2050. A separate price is provided for the Emissions Trading System ("**ETS**") and non-ETS sectors;
  - Discount the annual monetary values using an appropriate discount rate (currently 4%).

Context (continued)

- If a proposed investment results in a reduction in carbon emissions, these values are considered as benefits in an economic appraisal. If a proposed investment results in an increase in carbon emissions, these values are considered as costs in the economic appraisal.
- The Climate Action Plan 2019 states: *"Consistent application of these [Public Spending Code] rules will allow decision-makers to better understand and appreciate the climate consequences of their investment options."*

Target Approach

3.1	Measure annual net GHG emissions associated with investment options, differentiating between ETS and non-ETS emissions, in accordance with the Public Spending Code.
3.2	Monetise the annual change in GHG emissions using the shadow price of carbon as set out in the Public Spending Code (as updated from time to time).
3.3	Incorporate the value of emissions in investment decision-making, e.g., in choosing between investment options.

Note 1: Public Spending Code, Supplementary Guidance - Measuring & Valuing Changes in Greenhouse Gas Emissions in Economic Appraisal, December 2019.
Note 2: Policies, such as those that increase energy efficiency levels, result in lower energy costs. This results in additional funds being made available which can be spent on energy or other goods and services. Any resulting increase in energy use is known as the "rebound effect".

Commitment 4 | Circular Economy and Green Procurement

Context

- In 2020, DECC published *A Waste Action Plan for a Circular Economy* which sets out a path towards a zero-waste future by embedding circularity across our society and economy. The plan identifies opportunities for the application of circular economy principles across a range of areas:

  In a circular economy, waste and resource use are minimised; the value of products and materials is maintained for as long as possible through good design, durability and repair; and when a product has reached the end of its life, its parts are used again and again to create further useful products. A Waste Action Plan for a Circular Economy, DECC, 2020
- In 2021, the first Whole of Government Circular Economy Strategy was launched, which sets out a vision for Ireland's transition to circularity. This Strategy recognises that the transition away from fossil fuels and energy efficiency measures can only address 55% of our emissions, as the remaining 45% comes from making things; a circular economy approach is therefore critical to the achievement of emission reduction targets.
- One of the key objectives of the Strategy is to demonstrate public sector leadership, using policy tools such as green public procurement as well as supporting circular economy practices across the entire public sector. The Circular Economy and Miscellaneous Provisions Act 2022 puts this policy approach on a statutory footing.
- *Green public procurement (GPP) is a process whereby public and semi-public authorities meet their needs for goods, services, works and utilities by choosing solutions that have a reduced impact on the environment throughout their life-cycle, as compared to alternative products/solutions. It requires buyers and suppliers to consider not just the up-front purchase costs of a given solution, but its total economic and environmental cost from cradle to grave.* EPA, 2014.
- In October 2019, the Office of Government Procurement (OGP) released Circular 20/2019: *Promoting the use of Environmental and Social Considerations in Public Procurement.* The purpose of this Circular is to integrate the wider use of environmental and social considerations in public procurement with specific regard to the Climate Action Plan 2019, with the aspiration that GPP becomes part of the mainstream public procurement process.

Context (continued)

- The Programme for Government 2020 states that green criteria should be included in all procurements using public funds and all procurement frameworks should be updated by the OGP, over the next three years. This illustrates a much greater commitment compared to Ireland's 2012 National Action Plan 'Green Tenders' which set a target that 50% of procurement contracts should incorporate green/sustainability criteria. The 2012 Plan did not achieve its intended impact according to the Climate Action Plan 2019.
- In September 2021, the EPA published *Green Public Procurement: Guidance for the Public Sector*, to support the inclusion of sustainable and green practices into public sector procurement procedures.
- The CAP 2021 notes that the OGP will update all procurement frameworks, in line with green procurement practice, by 2023.

Target Approach

4.1	Demonstrate leadership by example in Ireland's transition to a circular economy, having regard to the proposals and initiatives of DECC, the OGP and the EPA; the Whole of Government Circular Economy Strategy; the targets relating to waste reduction set out in the CAP 2021; and the statutory requirements set out in the Circular Economy and Miscellaneous Provisions Act 2022.
4.2	Engage with the OGP and other Central Purchasing bodies to use procurement frameworks which include relevant environmental considerations; include in annual reports the corporate policy around GPP, measures taken to give effect to GPP and the data around measuring and monitoring this activity. Consider introducing a plan for the incremental growth of GPP. Incorporate circular economy principles in GPP.

Commitment 5 | Disclosures in Financial Reporting

Context

- There is increasing focus on the climate-related information that companies report, as investors, regulators, purchasers and other stakeholders demand access to information that will allow them to take climate-related matters into account in decision making.
- A number of disclosure frameworks have been developed to guide companies and suppliers in providing data on environmental impacts, risks, opportunities, investments and strategies. Five of the main frameworks and standards in the climate-related disclosure space are outlined in the table below.

Climate focus			Broader ESG focus		
Framework	**Primary Audience**	**Aligned with TCFD[1]**	**Framework**	**Primary Audience**	**Aligned with TCFD[1]**
TCFD[1]	Investors	Yes	**SASB Standards**	Investors	Largely aligned
EC Guidelines (2019)	Wide variety	Yes *(integrated)*	**GRI Standards**	Wide variety	Largely aligned
CDP	Investors	Yes	*Note 1: Task Force on Climate-related Financial Disclosures (“**TCFD**”)*		

- We note that in November 2020, the Minister for Finance noted the Government support for the work of the TCFD: “*The implementation of the recommendations represent best practice for companies and opens up access to more sustainable pools of growth capital while addressing the needs of investors for greater transparency*”.
- We note also:
  - In April 2021, the EU Commission adopted a proposal for a Corporate Sustainability Reporting Directive (CSRD), which would amend the existing reporting requirements of the non-financial reporting directive (NFRD) and extend its scope. The proposed CSRD envisages the adoption of EU sustainability reporting standards. The European Financial Reporting Advisory Group has published its initial proposals for the climate information that EU companies will be required to disclose under new sustainability reporting standards;

Context (continued)

  - The EU Taxonomy is a framework to determine whether an economic activity contributes to certain environmental objectives and “does no harm” to others. Article 8 of the Taxonomy Regulation requires organisations covered by the NFRD to publish information on how, and to what extent, their business activities align with the Taxonomy Regulation;
  - The International Financial Reporting Standards (IFRS) Foundation Trustees announced at COP26 the creation of a new standard-setting board—the International Sustainability Standards Board (ISSB) – which will deliver a comprehensive global baseline of sustainability-related disclosure standards.
- CSS companies should commit to identifying a suitable disclosures framework, compliance with which would enable the company to demonstrate best practice.
- A related item is the area of natural capital accounting, a concept outlined in Appendix A. We note that it is of greater relevance to those CSS companies that own or manage significant natural resources and may not be applicable to the whole portfolio of State-owned companies.

Target Approach

5.1	Having regard to developments relating to any applicable mandatory reporting requirements (including those envisaged under the European Commission’s proposed CSRD), identify a climate-related financial disclosures framework whose requirements are relevant and appropriate to the company’s activities and sector(s). The framework identified should be such that compliance with it would allow the company to demonstrate best practice in its approach to such disclosures.
5.2	Announce a target date between now and 2024 by which the company will achieve full compliance with its chosen framework.

Implementation | Overview

Overview

- The Framework is applicable to all CSS companies, subject to any derogations that may be agreed individually. If cases are identified where it is deemed appropriate to tailor an aspect of the Framework for an individual CSS company this could then be reflected in a letter issued to that CSS company by its line Minister at the time of implementation of the Framework.
- Once the Framework is approved by Government[1], it will be sent to the CSS companies with a view to each CSS company agreeing to sign up to the commitments in the Framework.
- Once the Framework is in place, it can be referred to in the Letter of Expectation issued to each CSS company by its line Minister. It is expected the Framework will be made subject to periodic review.

Ongoing Monitoring

- Ongoing monitoring of compliance with the Framework can be undertaken as follows:
  - NewERA will report to relevant Departments on the application of the Framework within the CSS sector as a whole;
  - For companies in the NewERA portfolio, updates on implementation of the Framework will be a standing agenda item in quarterly meetings and where appropriate may be referenced in NewERA's Annual Financial Review and reports to Ministers on corporate plans;
  - For all CSS companies, it is expected that there will be:
    - reference to climate action objectives, including how each company expects to meet its general obligations under the Climate Action and Low Carbon Development (Amendment) Acts 2015 to 2021, alongside overall company performance reports in annual reports;
    - Publication by companies of their progress towards emission reduction targets under Commitment 2 as well as reporting by SEAI on progress towards overall public sector targets;
    - Evidence of carbon pricing used in appraisal of relevant investments for which Ministerial consents are sought under statutory or Code of Practice requirements; and
    - Climate-related disclosures in financial reporting by individual companies.

Note 1: The Framework was approved by Government on 27 July 2022.

Appendix A | Natural Capital Accounting

- Natural capital is an economic metaphor for nature; a concept that frames the world's resources like plants, animals, water, and minerals as assets or stocks that yield a flow of benefits to people.
- The Natural Capital Approach involves measuring and valuing natural capital assets. Values can be expressed in many different ways, including in qualitative, biophysical and monetary terms. Values can help reveal how natural capital is delivering important benefits to society and the economy. These natural capital assessments can be used to support more sustainable decision-making.
- Natural Capital Accounting is a system for organising information about natural capital assets and ecosystem services. The UN has a standard for this type of accounting, called the SEEA, or the System of Environmental-Economic Accounts. The aim of organising this information is to help decision-makers understand how the environment interacts with the economy.
- In June 2021 the Taskforce on Nature-related Financial Disclosures (TNFD) was formally launched and the taskforce members commenced work with their first plenary meeting in October. This starts the Taskforce's work on developing a risk management and financial disclosure framework. The framework will be piloted in 2022 before it is formally launched in 2023.
- The European Commission and a number of partners issued a report in 2021 on Natural Capital Accounting, entitled *Accounting for ecosystems and their services in the European Union (INCA) - Final report from phase II of the INCA project aiming to develop a pilot for an integrated system of ecosystem accounts for the EU*. This shows that the production of a wide range of ecosystem accounts following the guidance of the UN handbook on ecosystem accounting (System of Environmental Economic Accounting – Experimental Ecosystem Accounting (SEEA EEA)) is feasible and it is possible to produce consistent and comparable information on ecosystems and the services they provide to society at the scale of the EU. It presents ecosystem extent accounts (for 9 broad types of ecosystems), ecosystem condition accounts (for forests, agro-ecosystems and rivers and lakes) and ecosystem services accounts (for a subset of ecosystem services) for the EU.
- INCASE: Irish Natural Capital Accounting for Sustainable Ecosystems 2019-2023. INCASE seeks to apply Natural Capital Accounting (NCA) principles to river catchments in Ireland. Currently it is difficult to place a value on eco system services. INCASE will map stocks and flows of ecosystem services of sample river catchments including in monetary terms. The potential impact on shareholder value can be assessed in due course.
- Natural Capital Accounting is likely to be of greater relevance to those CSSs that own, manage or interact with significant natural resources, such as Coillte, Bord na Móna, Irish Water, the port companies and those with land holdings.

Glossary (Page 1 of 2)

BITC	Business in the Community	**ESG**	Environmental, Social, and Governance
CAP 2019/2021	Climate Action Plan 2019/2021	**ETS**	Emissions trading system
CDP	CDP runs a global disclosure system. Formerly the Carbon Disclosure Project.	**EU**	European Union
CDSB	Climate Disclosure Standards Board	**FASB**	Financial Accounting Standards Board
CO_2	Carbon dioxide	**Framework**	CSS climate action framework
CO2e	Carbon dioxide equivalent	**FSB**	Financial Stability Board
COP26	Conference of Parties 26 - the 2021 United Nations Climate Change Conference held in Glasgow	**G20**	Group of Twenty - the world's major advanced and emerging economies, comprising the European Union (EU) and 19 country members.
CRD	Corporate Reporting Dialogue	**GHG**	Greenhouse Gas
CSS	Commercial semi-State	**GHG Protocol**	GHG Protocol supplies the world's most widely used greenhouse gas accounting standards. (See Scope 1/2/3)
DAC	Designated Activity Company	**GNI**	Gas Networks Ireland
Government Departments:		**GPP**	Green public procurement
DAFM **DECC** **DHLGH**	Department of Agriculture, Food and the Marine Department of Environment, Climate and Communications Department of Housing, Local Government and Heritage	**GRI**	Global Reporting Initiative
DoT **DPER** **DTCAGSM**	Department of Transport Department of Public Expenditure and Reform Department of Tourism, Culture, Arts, Gaeltacht, Sport and Media	**Guidelines**	The European Commission guidelines on reporting climate-related information published in 2019
EC	European Commission	**IAA**	Irish Aviation Authority
EEA	European Economic Area (European Union + Norway, Iceland and Liechtenstein)	**IBC**	International Business Council
EMAS	European Commission regulation for environmental management systems (Regulation (EC) No 1221/2009 (EMAS III))	**IGEES**	Irish Government Economic and Evaluation Service
EPA	Environmental Protection Agency	**IIRC**	International Integrated Reporting Council

Glossary (Page 2 of 2)

IPCC	Intergovernmental Panel on Climate Change	**Regulations**	European Union (Disclosure of non-financial and diversity information by certain large undertakings and groups) Regulations 2017 (as amended)
IR	Integrated Reporting	**RES-E**	Renewable energy sources for electricity
ISO	International Organization for Standardization	**SASB**	Sustainable Accounting Standards Board
IW	Irish Water	**Scope 1**	GHG Protocol category for all direct GHG emissions.
kWh	Kilowatt-hour (equivalent to 1000 watts of energy used for 1 hour)	**Scope 2**	GHG Protocol category for indirect GHG emissions from consumption of purchased electricity, heat or steam.
KPI	Key performance indicator	**Scope 3**	GHG Protocol category for other indirect GHG emissions not covered in Scope 2.
LED	Light-emitting diode	**SEAI**	Sustainable Energy Authority of Ireland
NewERA	New Economy and Recovery Authority	**TCFD**	Task Force on Climate-related Financial Disclosures
NFRD	Non-financial Reporting Directive (Directive 2014/95/EU)	**TWh**	Terawatt-hour, a measure of electrical energy
OECD	Organisation for Economic Co-operation and Development	**UNSDG**	United Nations Sustainable Development Goals
OGP	Office of Government Procurement	**WBCSD**	World Business Council for Sustainable Development
PLC	Public Limited Company		
Portfolio Companies	The 18 commercial companies in State ownership that are either designated to NewERA under its legislation or NewERA provides advice to relevant Government Ministers and Departments by agreement. (Whilst some are statutory bodies rather than companies, for ease of reference they are referred to as companies in this paper.)		